Santa Clara Valley Water District

FC 1025 (09-20-13)

Meeting Date:	05/12/15
Agenda Item:	2.4
Unclassified Manager:	N. Camacho
Extension:	2084
Director(s):	All

CONFORMED COPY

BOARD AGENDA MEMO

SUBJECT: Safe, Clean Water and Natural Flood Protection Special Tax Summary Report and Resolution Providing for Levy of the Special Tax Rates and Authorizing a Procedure for Correcting Special Tax Amounts for Fiscal Year 2015-2016 (FY 2015–16)

RECOMMENDATION:

A. Accept the fiscal year 2015–16 Safe, Clean Water and Natural Flood Protection Special Tax Summary Report (Attachment 1); and

B. Adopt the resolution Providing for Levy of the Special Tax Pursuant to the Safe, Clean Water and Natural Flood Protection Measure in the Combined Flood Control Zone of the Santa Clara Valley Water District and Authorizing a Procedure for Correcting Special Tax Amounts for Fiscal Year 2015-2016 (Attachment 2).

SUMMARY:

Provisions of Resolution 12-62 (Providing for the continuation and levy of special tax to pay the cost of a Safe, Clean Water and Natural Flood Protection Program in the combined flood control zone of the Santa Clara Valley Water District subject, nevertheless, to specified limits and conditions) require the District's Chief Executive Officer to prepare a written report recommending rates for the Safe, Clean Water and Natural Flood Protection Special Tax, which was approved by voters on November 6, 2012. Rate limits as specified in the Safe, Clean Water ballot measure are indexed to the fiscal year 2014–15 rates plus the change in the Bay Area Consumer Price Index (CPI) or 3 percent, whichever is greater.

Based on projected costs of the Safe, Clean Water Program activities and reports released by the Bureau of Labor Statistics indicating that the change in CPI from February 2014 to February 2015 is 2.5 percent, staff recommends that the special tax rates for fiscal year 2015–16 be set at their maximum level which would reflect a 3.00 percent increase. Despite projections that there will be a funding surplus at program-end, staff believes the recommendation is fiscally responsible when taking into account the uncertainty of receiving state funding, and the uncertainty associated with the future costs of proposed major capital projects.

The senior exemption provided for in the ballot measure will continue to allow low-income parcel owners over the age of 65 to be exempt from paying the special tax consistent with Resolution 12-62. Staff has recently enhanced its outreach program to better inform the senior population of the tax exemption program.

ADOPTED
MAY 12 2015

The contemplated activities and rates in the proposed FY 2015-16 budget are consistent with the activities and rates identified in the July 24, 2012 District report, "Safe, Clean Water and Natural Flood Protection," that explained the voter approved program in detail. Planned future expenditures as currently forecasted reasonably indicate that the revenue raised next year will be spent according to the 2012 District Report.

FINANCIAL IMPACT:

Levy of the Safe, Clean Water and Natural Flood Protection Special Tax at the recommended level for fiscal year 2015–16 will generate an estimated total of $40.1 million in net revenue that will fund budgeted expenditures consistent with the Report. The District's proposed Budget for fiscal year 2015–16 reflects this projected revenue. If the special tax is not increased by 3.00 percent, then $1.16 million less revenue would be generated or a total of $39 million in fiscal year 2015–16. If the Board does not approve special tax rates for FY 2015–16, the District would not receive the funding necessary to accomplish voter approved outcomes.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

1. Staff Report
2. Resolution
3. Summary of Key Performance Indicators 15-Year Program

FY 2015–16 Safe, Clean Water & Natural Flood Protection Special Tax Summary Report

SUMMARY:

Applicable laws and provisions of Resolution 12-62 require the District Chief Executive Officer to prepare a written report recommending the rates for the Safe, Clean Water and Natural Flood Protection Special Tax, which was approved by voters on November 6, 2012. Rate limits as specified in the Safe, Clean Water ballot measure are indexed to the fiscal year 2014–15 rates plus an increase based on the San Francisco-Oakland-San Jose Consumer Price Index (CPI) for all urban consumers in the preceding year or 3 percent, whichever is greater. The CPI-U for San Francisco-Oakland-San Jose from February 2014 to February 2015 was 2.5%. As such, staff recommends that the special tax rates for fiscal year 2015–16 be set at their maximum level, which would reflect a 3.00 percent increase versus fiscal year 2014-15. Despite projections that there will be a funding surplus at program-end, staff believes the recommendation is fiscally responsible when taking into account the uncertainty of receiving state funding, and the uncertainty associated with the future costs of proposed major capital projects.

The Group C Single Family Residential and Small Multiples (2-4 units) rate trend is summarized below:

Fiscal Year	Group C Rate	Annual % Increase
2001–02	$39.00	N/A
2002–03	$40.16	3.0%
2003–04	$41.36	3.0%
2004–05	$42.60	3.0%
2005–06	$43.88	3.0%
2006–07	$45.26	3.16%
2007–08	$46.76	3.32%
2008–09	$48.16	3.0%
2009–10	$49.61	3.0%
2010–11	$51.10	3.0%
2011–12	$52.64	3.0%
2012–13	$54.22	3.0%
2013–14	$55.84	3.0%
2014–15	$57.52	3.0%
2015–16 Proposed	$59.24	3.0%

STAFF ANALYSIS:

Introduction

This Summary Report is prepared in accordance with the voter-approved Santa Clara Valley Water District (District) Resolution 12-62. It presents the uniform rates for the special tax in the combined flood control zone to generate revenue for designated voter approved purposes.

The revenue generated by the special tax will be used to meet remaining Clean, Safe Creeks program commitments and to produce the following outcomes:

- Ensure a safe, reliable water supply.

- Reduce toxins, hazards and contaminants in our waterways.
- Protect our water supply from earthquakes and natural disasters.
- Restore wildlife habitat and provide open space.
- Provide Flood Protection to homes, businesses, schools and highways.

Attachment 3 of the Board Agenda Memo shows a further breakdown of the activities under each of the Safe, Clean Water program outcomes. This report has been reviewed and approved by District Counsel as meeting the requirements of applicable laws. Information on the special tax levy for an individual parcel as well as the detailed District report describing the purpose of the special tax: "Safe, Clean Water and Natural Flood Protection, July 24, 2012", are available for review through the Clerk of the Board at the District offices located at 5700 Almaden Expressway, San Jose, California.

Passage of Clean, Safe Creeks and Natural Flood Protection

The June 2000 sunset of benefit assessments for the District's flood protection program decreased revenue available to the District to provide additional flood protection capital improvements. Beginning in 1996, the District implemented a program to solicit community input, conduct needs assessments, and propose and refine a comprehensive plan to preserve the quality of life in Santa Clara County as it relates to water resources. The District evaluated available funding alternatives authorized by applicable laws, and determined that a uniform, special tax throughout the combined zone that overlays the District's five flood control zones was the appropriate funding mechanism for the adopted plan. The District placed the Clean, Safe Creeks and Natural Flood Protection measure on the November 7, 2000 ballot and received over the necessary two-thirds approval by the electorate voting.

In 2011, the District began an intensive outreach effort to reassess community priorities and formulate an updated program because the District could not continue to provide services that the community demanded beyond the sunset of the program in June, 2016. At that time, all of the many high priority projects under the 2000 measure had been completed or exceeded, or were on track to be completed or exceeded.

Passage of Safe, Clean Water and Natural Flood Protection

An 18-month period of public input and program refinement resulted in the Safe, Clean Water program, which includes new projects based on stakeholder input, as well as the continuation of important services provided by the old program. The Safe, Clean Water program received the necessary two-thirds approval by voters on November 6, 2012.

Under current authorization, the special tax is to be levied over a fixed term of fifteen years to achieve program outcomes. The program will be funded by a combination of debt financing and pay-as-you-go funding from annual revenues supplemented by reserves from unspent funds of the Clean, Safe Creeks plan, and state and federal funding. The use of debt financing will help fund the Safe Clean Water capital program early in the program, rather than waiting for reserves to build up. The District will track the revenues and expenses over the life of the special tax, and as the program progresses, the rates will be evaluated each year to determine what, if any, annual increase is needed.

General Rate Provisions

The special tax revenues to meet the projected costs of the program are based on an initial set of rates for fiscal year 2013–14 in which the residential rate was $55.84, or 3% higher than the prior year.

Future rate limits are indexed to the annual San Francisco-Oakland-San Jose Consumer Price Index for all urban users in the immediate preceding year (Bay Area Consumer Price Index) or 3 percent, whichever is greater. Should declaration of a state or federal disaster area by reason of flooding or other natural disaster occur, the maximum rates will be indexed to the Bay Area Consumer Price Index plus up to 4.5 percent for the three years following the disaster.

The special tax is levied on a parcel by parcel basis according to proportionate storm water runoff. Each assessment is computed by determining the area of a parcel (in acres or fractions thereof) and applicable land use category (as hereinafter defined) and then multiplying the area by the special tax rate applicable to land in such land use category. The land use categories are as follows:

Group A: Land used for commercial or industrial purposes

Group B: Land used for institutional purposes such as churches and schools or multiple dwellings in excess of four units, including apartment complexes, mobile home parks, recreational vehicle parks, condominiums and townhouses.

Group C: (1) Land used for single family residences and multiple family units up to four units. (2) The first 0.25 acre of a parcel of land used for single family residential purposes.

Group D: (1) Disturbed agricultural land, including irrigated land, orchards, dairies, field crops, golf courses and similar uses. (2) The portion of the land, if any, in excess of 0.25 acre of a parcel used for single family residential purposes.

Group E: Vacant undisturbed land (1) in urban areas; and (2) in rural areas including dry farmed land, grazing and pasture land, forest and brush land, salt ponds and small parcels used exclusively as well sites for commercial purposes.

Group F: Parcels used exclusively as well sites for residential uses are exempt from the special tax.

A minimum special tax is levied on each parcel of real property having a land area up to 0.25 acre for Groups A, B, and C, and up to 10 acres for Groups D and E Urban. For Group E Rural, the minimum Special Tax is as calculated for the E Urban category, but applies to parcels of 80 acres or less. A minimum special tax is also levied on condominiums and townhouses without regard to parcel size. Parcels owned by federal, state, or local agencies are exempt from this special tax.

Transition from Clean, Safe Creeks to Safe, Clean Water

Approximately $162.4 million in reserves were set aside at year end FY 2012–13 from unspent funds of the Clean, Safe Creeks program. Most of this accumulated amount is from set-aside revenue designated for capital project construction, and some is from cost savings. These funds will help construct and maintain the capital projects continued from the Clean, Safe Creeks plan. In FY 2015-16, capital spending is projected to continue on several projects carried forward from Clean, Safe Creeks that will provide flood protection including Sunnyvale East and West Channel, Permanente Creek, Upper Guadalupe River, Upper Llagas Creek, and San Francisquito Projects.

2015–2016 Special Tax Rates

For FY 2015–16 staff proposes that the Safe, Clean Water and Natural Flood Protection Special Tax be levied at the maximum level to generate $40.1 million to meet the program outcomes. Projected capital design and construction appropriations are $82.7 million. Projected operations, operating projects, debt service and transfer appropriations are $29.1 million. The operating and capital reserve is projected to be $27.1 million by the end of FY 2015–16.

The proposed special tax rates at the rate limits are indicated below and reflect a 3.00% increase over last year's rates under the Safe, Clean Water Program:

Group A: Land used for commercial or industrial purposes: $474.13 per acre, $118.52 minimum for parcels up to 0.25 acre.

Group B: (1) apartment complexes, mobile home parks, recreational vehicle parks: $355.60 per acre, $88.90 minimum for parcels up to 0.25 acre; and (2) condominiums and townhouses: $28.84 per unit.

Group C: Parcels up to 0.25 acres used for single family residences and multiple family units up to four units: $59.24. The first 0.25-acre of a parcel of land used for single family residential purposes: $59.24.

Group D: (1) Disturbed agricultural land, including irrigated land, orchards, dairies, field crops, golf courses and similar uses: $3.04 per acre, $30.38 minimum on parcels less than 10 acres. (2) The portion of the parcel, if any, in excess of 0.25 acre of a parcel used for single family residential purposes: $3.04 per acre.

Group E: Vacant undisturbed land (1) in urban areas: $0.90 per acre, $8.96 minimum on parcels less than 10 acres; and (2) in rural areas: $0.12 per acre, $8.96 minimum equal to the Group E urban category minimum.

A summary comparing the current year rates with the proposed FY 2015–16 rates is shown in Figure 1.

FIGURE 1

Actual FY 2014–15 Versus Proposed FY 2015–16 Safe, Clean Water and Natural Flood Protection Special Tax Rates

Land Use Categories	Actual FY '14-'15	Proposed FY '15-16
A - Commercial, Industrial		
Rate ($/Acre)	$460.32	$474.13
Minimum Assessment [1]	$115.06	$118.52
B - Apartment, Schools, Churches, Condominiums & Townhouse		
Rate ($/Acre)	$345.24	$355.60
Minimum Assessment [1]	$86.30	$88.90
Condominiums & Townhouses ($/unit)	$28.00	$28.84
C - Single Family Residential, Small Multiples (2-4 units) [2]		
Minimum Assessment [1]	$57.52	$59.24
D - Utilized Agriculture[2]		
Rate ($/Acre)	$2.96	$3.04
Minimum Assessment [1]	$29.50	$30.38
E - Urban - Nonutilized Agricultural, Grazing Land, Salt Ponds, Well Site in Urban Areas		
Rate ($/Acre)	$0.870	$0.90
Minimum Assessment [1]	$8.70	$8.96
E - Rural - Nonutilized Agricultural, Grazing Land, Well Sites in Rural Areas		
Rate ($/Acre)	$0.118	$0.12
Minimum Assessment [1]	$8.70	$8.96

[1] The minimum assessments shown for Categories A, B, and C apply to parcels 1/4 acre or less in size. Category C parcels larger than 1/4 acre pay the minimum assessment for the first 1/4 acre and the remaining acreage is assessed at the Category D rate. For Category D, the minimum assessment applies to parcels less than 10 acres. The minimum assessment for Group E parcels is the amount charged for 10 acres of urban undeveloped land; the minimum assessment is the same for both the Urban Category and the Rural Category parcels, however the Rural Category applies to parcels of 80 acres or less.

[2] Residential land in excess of 1/4 acre is assessed at the "D" rate.

Senior Exemption

Legislation was passed in July 2001 to provide the District with the discretion to exempt low-income parcel owners over 65 from the special tax consistent with Resolution's 2000-44 and 12-62. The exemption program was put in place for FY 2001–02. To date in fiscal year 2014–15, 2,887 households have received the exemption, totaling approximately $156,377. Exemptions and refunds total approximately $2,588,087 to date since program inception.

In an effort to enhance the outreach program and better inform the senior population of the tax exemption program, staff has developed a four (4)-step approach.

Step 1: Identify ways to collect existing data on homeownership and household income for seniors to estimate the potential number of qualified senior exemptions in the county. Staff is partnering with the county's Department of Aging and Adult Services (DAAS) to obtain data that will allow staff to compare our program enrollment numbers to the total number of potentially qualified seniors in the county.

Step 2: Develop outreach strategies to provide program information directly to seniors and/or other agencies and organizations that provide senior services. The outreach steps include:

a. Update program materials (flyers, website content, mailers, press releases, newsletters etc.) to be more senior-oriented.
b. Partner with DAAS to connect with community partners to make information about the exemption program more accessible to their network of seniors.
c. Make a presentation to the Santa Clara County Board of Supervisors to help spread the word to their respective constituents, including County newsletters or other media outlets.
d. Map out the location of current enrollees to identify where the concentration of participants are located. If there are areas where seniors could potentially qualify for the exemption, staff will target outreach efforts in those areas.

Step 3: Implement the outreach strategies once the informational materials are complete. The open enrollment period for the Senior Parcel Tax Exemption Program is April 15 to June 30, 2015. Staff will field phone calls, provide in-person support for those who need additional information or assistance with the enrollment, attend resource fairs and community collaborative meetings to conduct presentations and help train/inform staff from other organizations about the exemption program so they can also help disseminate the information, and drop off information packets and enrollment applications at Senior Centers and other community based organizations throughout the county.

Step 4: Monitor the exemption program to ensure that accurate information is being disseminated throughout the county and that seniors are receiving the adequate support they need to enroll in the program if they qualify. Staff will also collect data on how participants learn about the program in order to track which outreach strategies are most effective in reaching the senior population.

Special Tax Levy Rolls and Collection

Applicable law provides that the special tax may be levied and collected by the County Tax Collector at the same time and in the same manner as the general tax levy. Following adoption of the special tax rates and receipt of updated assessor parcel data for fiscal year 2015–16, the District will prepare a Special Tax Roll identifying each parcel of land subject to the special tax and the associated tax amount. This information will be made available for review at the District through the Clerk of the Board. The Special Tax Roll showing parcel number and levy amount will be forwarded to the County Tax Collector in August 2015 to facilitate County collection of the special tax.

FINANCIAL IMPACT:

Setting the Safe, Clean Water and Natural Flood Protection special tax rates at staff recommended level for FY 2015–16 would provide adequate funding to meet operations, operating projects, debt service and transfer costs of $29.1 million, as well as a projected capital appropriation of approximately $82.7 million. Planned future expenditures reasonably indicate that the revenue raised next year will be spent according to the Safe, Clean Water and Natural Flood Protection report.

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BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT

RESOLUTION NO. 15- 33

PROVIDING FOR LEVY OF THE SPECIAL TAX PURSUANT TO THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION MEASURE IN THE COMBINED FLOOD CONTROL ZONE OF THE SANTA CLARA VALLEY WATER DISTRICT AND AUTHORIZING A PROCEDURE FOR CORRECTING SPECIAL TAX AMOUNTS FOR FISCAL YEAR 2015-2016

WHEREAS, the Santa Clara Valley Water District (District) owns property and builds, operates and maintains infrastructure in Santa Clara County to: ensure a safe, reliable water supply for the future; reduce toxins, hazards and contaminants, such as mercury and pharmaceuticals, in our waterways; protect our water supply and local dams from the impacts of earthquakes and natural disasters; restore fish, bird and wildlife habitat, and provide open space access; and provide flood protection to homes, business, schools, streets and highways; and

WHEREAS, over two-thirds of the electors voting in the Santa Clara County did favor a special tax measure in the November 6, 2012, General Election thereby approving the special tax specified in Resolution No. 12-62 for designated purposes;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Santa Clara Valley Water District (Board) as follows:

FIRST: The Chief Executive Officer (CEO) of the District has directed a summary report to be prepared for fiscal year July 1, 2015, through June 30, 2016, that includes the proposed special tax rates for that year ("Report"), and presented that Report on May 12, 2015, as an attachment to an agenda memorandum with the subject "Safe, Clean Water and Natural Flood Protection Special Tax Summary Report and Resolution Setting the Special Tax Rates for Fiscal Year 2015-2016 (FY 2015-16)."

SECOND: A special tax is hereby levied on each parcel of real property in the Combined Zone consisting of the aggregate metes and bounds of District zones One, Two, Three, Four, and Five as presently existing ("Combined Zone") for the purposes stated in the Report, and as authorized according to the minimums and methods described in this resolution. Except for the minimum special tax as hereinafter indicated, the special tax for each parcel of real property in the Combined Zone is computed by determining that parcel's area in acres or fractions thereof, its land use category (as hereinafter defined) and then multiplying the area by the special tax rate applicable to land in such land use category. A minimum special tax shall be levied on each parcel of real property having a land area up to: (i) 0.25 acre for Groups A, B, and C; and (ii) up to 10 acres for Groups D and E Urban. For Group E Rural, the minimum special tax shall be that as calculated for the E Urban category, but shall apply to parcels of 80 acres or less. A minimum special tax shall be levied in Group B per unit for condominiums and townhouses without regard to parcel size.

THIRD: Special tax rates for land use categories for each parcel of land in the Combined Zone are defined and established as follows:

Group A: Land used for commercial or industrial purposes: $474.13 per acre, $118.52 minimum for parcels up to 0.25 acre.

Group B: Land used for institutional purposes such as churches and schools or multiple dwellings in excess of four units, including (1) apartment complexes, mobile home parks, and recreational vehicle parks: $355.60 per acre, $88.90 minimum for parcels up to 0.25 acre; and (2) condominiums and townhouses: $28.84 per unit.

Group C: Parcels up to 0.25 acre used for single family residences and multiple family units up to four units: $59.24. The first 0.25 acre of a parcel of land used for single family residential purposes: $59.24.

Group D: (1) Disturbed agricultural land, including irrigated land, orchards, dairies, field crops, golf courses and similar uses: $3.04 per acre, $30.38 minimum on parcels less than 10 acres. (2) The portion of a parcel, if any, in excess of 0.25 acre used for single family residential purposes: $3.04 per acre.

Group E: Vacant undisturbed land (1) in urban areas: $0.90 per acre, $8.96 minimum on parcels less than 10 acres; and (2) in rural areas: $0.12 per acre, with an $8.96 minimum.

Group F: Parcels used exclusively as well sites for residential uses are exempt from the special tax.

Parcels owned by federal, state, or local government agencies are exempt from this special tax.

FOURTH: The District will provide an exemption from the special tax for low income owner-occupied residential properties for taxpayer-owners 65 years of age or older as follows:

Residential parcels where the total annual household income does not exceed 75 percent of the latest available figure for state median income at the time the annual tax is set, and where such parcel is owned and occupied by at least one person who is aged 65 years or older, shall be exempt from the applicable special tax for fiscal year 2015-2016 upon requesting such exemption from the District prior to or during fiscal year 2015-2016. Granting similar exemptions for fiscal years beyond Fiscal Year 2015-2016 will be made at the discretion of the Board.

FIFTH: Any special tax amount found to be in error and that results in an overstatement of tax to a property owner may be corrected by a check or checks drawn upon the Safe, Clean Water and Natural Flood Protection Fund upon approval by the District Chief Financial Officer and pursuant to procedures approved by the District's CEO and District Counsel.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on May 12, 2015.

AYES:	Directors	T. Estremera, N. Hsueh, B. Keegan, D. Kennedy, L. LeZotte, R.Santos, G. Kremen
NOES:	Directors	None
ABSENT:	Directors	None
ABSTAIN:	Directors	None

SANTA CLARA VALLEY WATER DISTRICT

By: _____
GARY KREMEN
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

_____
Clerk/Board of Directors

TABLE - 1 RESOLUTION NO. 2012 - 62

Providing for the continuation and levy of a special tax to pay the cost of a Safe, Clean Water and Natural Flood Protection Program in the combined flood control zone of the Santa Clara Valley Water District subject, nevertheless, to specified limits and conditions

Summary of Key Performance Indicators for the 15-Year Program

Project	Key Performance Indicator
Priority A: Ensure a Safe, Reliable Water Supply	
A1 Main and Madrone Avenue Pipelines Restoration	1. Restore transmission pipelines to full operating capacity of 37 cubic feet per second from Anderson Reservoir. 2. Restore ability to deliver 20 cubic feet per second to Madrone Channel.
A2 Safe, Reliable Water Grants and Partnerships	1. Award up to $1 million to test new conservation activities. 2. Increase number of schools in Santa Clara County in compliance with SB 1413 and the Healthy Hunger-Free Kids Act, regarding access to drinking water by awarding 100% of eligible grant requests for the installation of hydration stations; a maximum of 250 grants up to $254k. 3. Reduce number of private well water users exposed to nitrate above drinking water standards by awarding 100% of eligible rebate requests for the installation of nitrate removal systems; a maximum of 1000 rebates up to $702k.
A3 Pipeline Reliability Project	1. Install 4 new line valves on treated water distribution pipelines.

Project	Key Performance Indicator
Priority B: Reduce Toxins, Hazards, and Contaminants in our Waterways	
B1 Impaired Water Bodies Improvement	1. Operate and maintain existing treatment systems in 4 reservoirs to remediate regulated contaminants, including mercury. 2. Prepare plan for the prioritization of pollution prevention and reduction activities. 3. Implement priority pollution prevention and reduction activities identified in the plan in 10 creeks.
B2 Inter-Agency Urban Runoff Program (includes Santa Clara Valley Urban Runoff Pollution Prevention and South County programs)	1. Install at least 2 and operate 4 trash capture devices at stormwater outfalls in Santa Clara County. 2. Maintain partnerships with cities and County to address surface water quality improvements. 3. Support 5 pollution prevention activities to improve surface water quality in Santa Clara County either independently or collaboratively with south county organizations.
B3 Pollution Prevention Partnerships and Grants	1. Provide 7 grant cycles and 5 partnerships that follow pre-established competitive criteria related to preventing or removing pollution.
B4 Good Neighbor Program: Illegal Encampment Cleanup	1. Perform 52 annual clean-ups for the duration of the Safe, Clean Water program to reduce the amount of trash and pollutants entering the streams.
B5 Hazardous Materials Management and Response	1. Respond to 100% of hazardous materials reports requiring urgent on-site inspection in two hours or less.
B6 Good Neighbor Program: Remove graffiti and litter	1. Conduct 60 clean-up events (4 per year). 2. Respond to requests on litter or graffiti cleanup within 5 working days.
B7 Support Volunteer Cleanup Efforts and Education	1. Provide 7 grant cycles and 3 partnerships that follow pre-established competitive criteria related to cleanups, education and outreach, and stewardship activities. 2. Fund District support of annual National River Clean Up day, California Coastal Clean Up Day, the Great American Pick Up, and fund the Adopt-A-Creek Program.

Project	Key Performance Indicator
Priority C: Protect Our Water Supply and Dams From Earthquakes and Other Natural Disasters	
C1 Anderson Dam Seismic Retrofit	1. Provide portion of funds, up to $45 million, to help restore full operating reservoir capacity of 90, 373 acre-feet.
C2 Emergency Response Upgrades	1. Map, install, and maintain gauging stations and computer software on seven flood-prone reaches to generate and disseminate flood warnings.

Project	Key Performance Indicator
Priority D: Restore Wildlife Habitat and Provide Open Space Access	
D1 Management of Revegetation Projects	1. Maintain a minimum of 300 acres of revegetation projects annually to meet regulatory requirements and conditions.
D2 Revitalize Riparian, Upland and Wetland Habitat	1. Revitalize at least 21 acres, guided by the 5 Stream Corridor Priority Plans, through native plant revegetation and removal of invasive exotic species. 2. Provide funding for revitalization of at least 7 of 21 acres through community partnerships. 3. Develop at least 2 plant palettes for use on revegetation projects to support birds and other wildlife.
D3 Partnerships and Grants to Restore Wildlife Habitat and Provide Access to Trails	1. Develop 5 Stream Corridor Priority Plans to prioritize stream restoration activities. 2. Provide 7 grant cycles and additional partnerships for $21 million that follow pre-established criteria related to the creation or restoration of wetlands, riparian habitat and favorable stream conditions for fisheries and wildlife, and providing new public access to trails.
D4 Fish Habitat and Passage Improvements	1. Complete planning and design for two creek/lake separations. 2. Construct one creek/lake separation project in partnership with local agencies. 3. Use $6 million for fish passage improvements. 4. Conduct study of all major steelhead streams in the County to identify priority locations for installation of large woody debris and gravel as appropriate. 5. Install large woody debris and/or gravel at a minimum of 5 sites (1 per each of 5 major watersheds).
D5 Ecological Data Collection and Analysis	1. Establish new or track existing ecological levels of service for streams in 5 watersheds. 2. Re-assess streams in 5 watersheds to determine if ecological levels of service are maintained or improved.
D6 Creek Restoration and Stabilization	1. Construct 3 geomorphic designed projects to restore stability and stream function by preventing incision and promoting sediment balance throughout the watershed.
D7 Partnerships for the Conservation of Habitat Lands	1. Provide up to $8 million for the acquisition of property for the conservation of habitat lands.
D8 South Bay Salt Ponds Restoration Partnership	1. Establish agreement with the US Fish and Wildlife Service to reuse sediment at locations to improve the success of Salt Pond restoration activities. 2. Construct site improvements up to $4 million to allow for transportation and placement of future sediment.

Project	Key Performance Indicator
Priority E: Provide Flood Protection to Homes, Businesses, Schools, Streets and Highways	
E1.1 Vegetation Control for Capacity	1. Maintain 90% of improved channels at design capacity.
E1.2 Sediment Removal for Capacity	
E1.3 Maintenance of Newly Improved Creeks	
E1.4 Vegetation Management for Access	1. Provide vegetation management for 6,120 acres along levee & maintenance roads.
E2.1 Coordination with Local Municipalities on Flood Communication	1. Coordinate with agencies to incorporate District-endorsed flood emergency procedures into their Emergency Operations Center plans.
E2.2 Flood-Fighting Action Plans	1. Complete 5 flood-fighting action plans (one per major watershed).
E3 Flood Risk Reduction Studies	1. Complete engineering studies on 7 creek reaches to address 1% flood risk. 2. Update floodplain maps on a minimum of 2 creek reaches in accordance with new FEMA standards.
E4 Upper Penitencia Creek	1. With federal and local funding, construct a flood protection project to provide 1 percent flood protection to 5,000 homes, businesses and public buildings. 2. With local funding only, acquire all necessary right-of-ways and construct a 1 percent flood protection project from Coyote Creek confluence to King Road.
E5 San Francisquito Creek	1. With federal and local funding, protect more than 3,000 parcels by providing 1 percent flood protection. 2. With local funding only, protect approximately 3,000 parcels from flooding (100-year protection downstream of HWY 101, 50-year protection upstream of HWY 101).
E6 Upper Llagas Creek	1. With federal and local funding, provide flood protection to 1,100 homes, 500 businesses, and 1,300 agricultural acres, while improving stream habitat. 2. With local funding only, provide 100-year flood protection for Reach 7 only (up to W. Dunne Avenue in Morgan Hill). A limited number of homes and businesses will be protected.
E7 San Francisco Bay Shoreline Study	1. Provide portion of the local share of funding for planning and design phases for the former salt production ponds and Santa Clara County shoreline area. 2. Provide portion of the local share of funding toward estimated cost of initial project phase (Economic Impact Area 11).
E8 Upper Guadalupe River	1. With federal and local funding, construct a flood protection project to provide 1 percent flood protection to 6,280 homes, 320 businesses and 10 schools and institutions. 2. With local funding only, construct flood protection improvements along 4,100 feet of Guadalupe River between SPRR crossing, downstream of Willow Street, to UPRR crossing, downstream of Padres Drive. Flood damage will be reduced; however, protection from the 1-percent flood is not provided until completion of the entire Upper Guadalupe River Project.